

MINUTES OF A FINANCE COMMITTEE MEETING OF THE BOARD OF PARK COMMISSIONERS OF THE PARK DISTRICT OF HIGHLAND PARK HELD ON TUESDAY, NOVEMBER 28, 2017 8:00AM AT WEST RIDGE CENTER IN THE BOARD ROOM, 636 RIDGE ROAD, HIGHLAND PARK, ILLINOIS 60035

Present: Vice President Ruttenberg and Commissioner Bernstein

Also, Present: Executive Director McElroy, Finance Director Curtis, Deputy Director of Operations Donahue, Director of Communications Gogola, Director of Recreation Romes, Director of Parks Voss, Assistant Director of PP&P Smith, Assistant Director of Rec & Facilities Carr, Accounts Payable Administer Lakoske, Staff Accountant Rosen and Senior Accountant Warsaw.

The Meeting was called to order at 8:06 A.M.

The October 26, 2017 Finance Committee Meeting minutes were amended. The meeting proceeded into the presentation of the 2018 Budget conducted by Director of Finance Curtis.

BUDGET HIGHLIGHTS

The consolidated revenue for the 2018 fiscal year is \$22.8M with expenditures budgeted at \$30M, creating a planned deficit of \$7,252,836. Tax support for the 2018 fiscal year represents 57.4% of total revenue.

Staff were asked to think differently and were extended a 5% challenge during the budget process. A challenge to continue to offer quality programming with a focus on cutting expenses wherever possible.

In 2018 the Park District will be fully staffed; several positions were not filled during the 2017 fiscal year. As a result, the salary expenses will be higher in 2018.

Changes to the aquatics management in 2018 will be a savings to the district. Expenses will be shared between the outdoor/indoor pools and beach area. Another change for 2018 includes the year-round use of Deer Creek Racquet Club.

The 2018 budget reflects a 6% decrease of revenue as we move away from golf operations at the HPCC. Due to the continued renovation of the Sunset Valley Golf Course, the golf course will not begin operations until August 2018 allowing only 4 months of generated revenue.

The purchase of the HPCC golf course will result in several budget changes for the 2018 fiscal year. The Park District will outsource the banquet operations, take over operations of the HPGL Center and begin the planning phase of the HPCC golf course conversion. Without the HPCC/Kemper expenses the budget reflects a decrease in contractual, material, supplies and cost of goods expenses.

HIGHLAND PARK GOLF LEARNING CENTER

Finance Director Curtis prepared two versions of the HPGL budget.

- Version A** - reflecting no programming in the 29-74 center, rather budgeting all program/camp revenues and expenses in the 29-42 Sunset Valley Golf budget. This version would end 12/31/18 with a surplus of \$11,125.12

- Version B** - programming revenue and expenses were included in this version along with supervisory expense allocations. This version would end 12/31/18 with a deficit of \$56,055.10.

The committee had much discussion on these versions, several ideas and thoughts on the allocation of expenses. The committee asked Finance Director Curtis and Executive Director McElroy to meet with the city executives to discuss the HPGL revenues and expenses with the proposal of an agreed payment to the city for the Park District's operation of the facility. Further discussion is forthcoming.

Several suggestions were raised at the end of the meeting. These suggestions included refunding of the 2016 bond payment maturing in 2020, commenting the health insurance and pension issues are all under control, consideration to amending the Sunset Valley Golf Course 2018 budgeted expenses and the review of the Sunset Valley landscaping plan. Prior to the budget workshop President Kaplan and Commissioner Grossberg would meet with the Park District team to receive this presentation.

Commissioner Bernstein asked the public if they had any comments or questions.

The meeting was adjourned, 9:32AM.